

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Land Division  
Honolulu, Hawaii 96813

February 11, 2010

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

PSF No.:09OD-157

OAHU

Grant of Perpetual, Non-Exclusive Easement to Hawaiian Electric Company, Inc. and Hawaiian Telcom, Inc., for Access and Utility Purposes and Issuance of a Construction Right-of-Entry, Honouliuli, Ewa, Oahu, Tax Map Key:(1)9-1-18: Portion 3

APPLICANT:

Hawaiian Electric Company, Inc. (HECO) and Hawaiian Telcom, Inc. (HTI), as co-grantees, both Hawaii corporations.

LEGAL REFERENCE:

Section 171-95, Hawaii Revised Statutes, as amended.

LOCATION:

Lot 18060, Easement 9668, Map 1409, Land Court Application 1069, Honouliuli, Ewa, Oahu, identified by Tax Map Key: (1) 9-1-18: Portion 3, as shown on the attached map labeled Exhibit A.

AREA:

1.539 acres, more or less.

ZONING:

State Land Use District: Urban  
City & County of Honolulu LUO: Agriculture

TRUST LAND STATUS:

Non-ceded, government land acquired after statehood from the Estate of James Campbell.

DHHL 30% entitlement land pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Encumbered by Revocable Permit No. S-7402 (RP No. S-7402) issued to Larry Jefts dba Sugarland Farms for agricultural purposes. The subject 1.539-acre access and utility easement and a 3.504-acre water tank reservoir site that was approved for set aside to the City and County of Honolulu, Board of Water Supply (BWS) by the Board of Land and Natural Resources

(Board) at its January 11, 2008, meeting, under agenda item D-15, are portions of RP No. S-7402. The permit was issued to the Permittee with the understanding that portions or all of the permit area would be withdrawn or canceled as needed for future urban development. In the event that a portion of the permit area is withdrawn the monthly rent would be reduced in proportion to the area withdrawn from the permit.

CHARACTER OF USE:

Right, privilege and authority to construct, use, maintain and repair a right-of-way over, under and across State-owned land for access and utility purposes.

COMMENCEMENT DATE:

To be determined by the Chairperson.

CONSIDERATION:

Gratis for Lot 18059, Map 1409, Land Court Application 1069 as it will be the site for a BWS water tank reservoir, which is a public facility.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In July 1998 the Final Environmental Impact Statement for the East Kapolei Master Plan was accepted by the Housing and Community Development Corporation of Hawaii, now the Housing, Finance and Development Corporation. The requested easement is located within the East Kapolei Master Plan area.

DCCA VERIFICATION:

Place of business registration confirmed:	YES
Registered business name confirmed:	YES
Applicant in good standing confirmed:	YES

REMARKS:

At its January 11, 2008, meeting, under agenda item D-15, the Board approved of and voted to recommend to the governor the set aside of 3.504 acres of State land at East Kapolei to BWS, for a water tank reservoir site.

The water tank reservoir site is one of the components of a master plan of water system improvements prepared by the Department of Hawaiian Home Lands (DHHL) in January 2005 to accommodate the development of its East Kapolei lands. The plan was approved by BWS in May 2005. Under the plan DHHL would construct a 4 million gallon water tank reservoir and dedicate it to BWS at its completion to operate and maintain in exchange for water credits.

Acting on behalf of the Department of Land and Natural Resources (DLNR), the owner of Lot 11992 (44.235 acres), Map 874, Land Court Application

1069, DHHL subdivided Lot 11992 into Lots 18059, being the 3.504-acre water tank reservoir site and 18060, being the 40.731-acre remainder, as shown on Map 1409, Land Court Application 1069. The City and County of Honolulu, Department of Planning and Permitting and the State of Hawaii Land Court approved the subdivision.

The Department of the Attorney General, Land/Transportation Division, is currently preparing the executive order setting aside Lot 18059 to BWS. According to the Applicants' letter of October 8, 2009, BWS is now requesting utility services for Lot 18059.

During the subdivision process that created Lots 18059 and 18060, Easement 9668 was designated as an access and utility easement corridor serving both lots. The Applicants will install utility lines within Easement 9668 to provide utility services for the BWS water tank reservoir site (Lot 18059).

The Applicants have not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

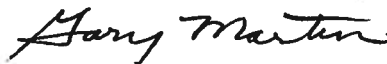
RECOMMENDATION: That the Board:

1. Authorize the issuance of a perpetual non-exclusive easement to the Hawaiian Electric Company, Inc., and Hawaiian Telecom, Inc., within Easement 9668, as shown on Map 1409, Land Court Application 1069, under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
  - A. The standard terms and conditions of the most current perpetual easement document form, as may be amended from time to time.
  - B. The easement shall run with the land and shall inure to the benefit of the real property described as Tax Map Key:(1) 9-1-18: Portion 3, provided however: (1) it is specifically understood and agreed that the easement shall immediately cease to run with the land upon the termination or abandonment of the easement; and (2) if and when the easement is sold, assigned, conveyed, or otherwise transferred, the Grantee shall notify the Grantee's successors or assigns of the insurance requirement in writing, separate and apart from this easement document.
  - C. Review and approval by the Department of the Attorney General.
  - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

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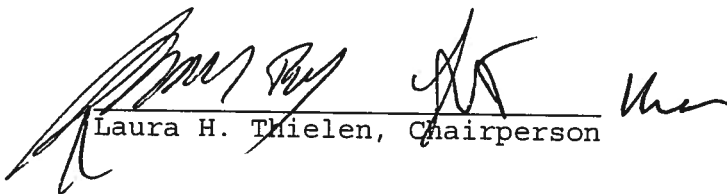
2. Authorize the issuance a construction right-of-entry permit to the Applicants, provided however, its issuance shall not precede the issuance date of the executive order setting aside Lot 18059, as shown on Map 1409, Land Court Application 1069, to the City and County of Honolulu, Board of Water Supply, subject to the following:
  - A. The terms and conditions of the most current right-of-entry permit form, as may be amended from time to time.
  - B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

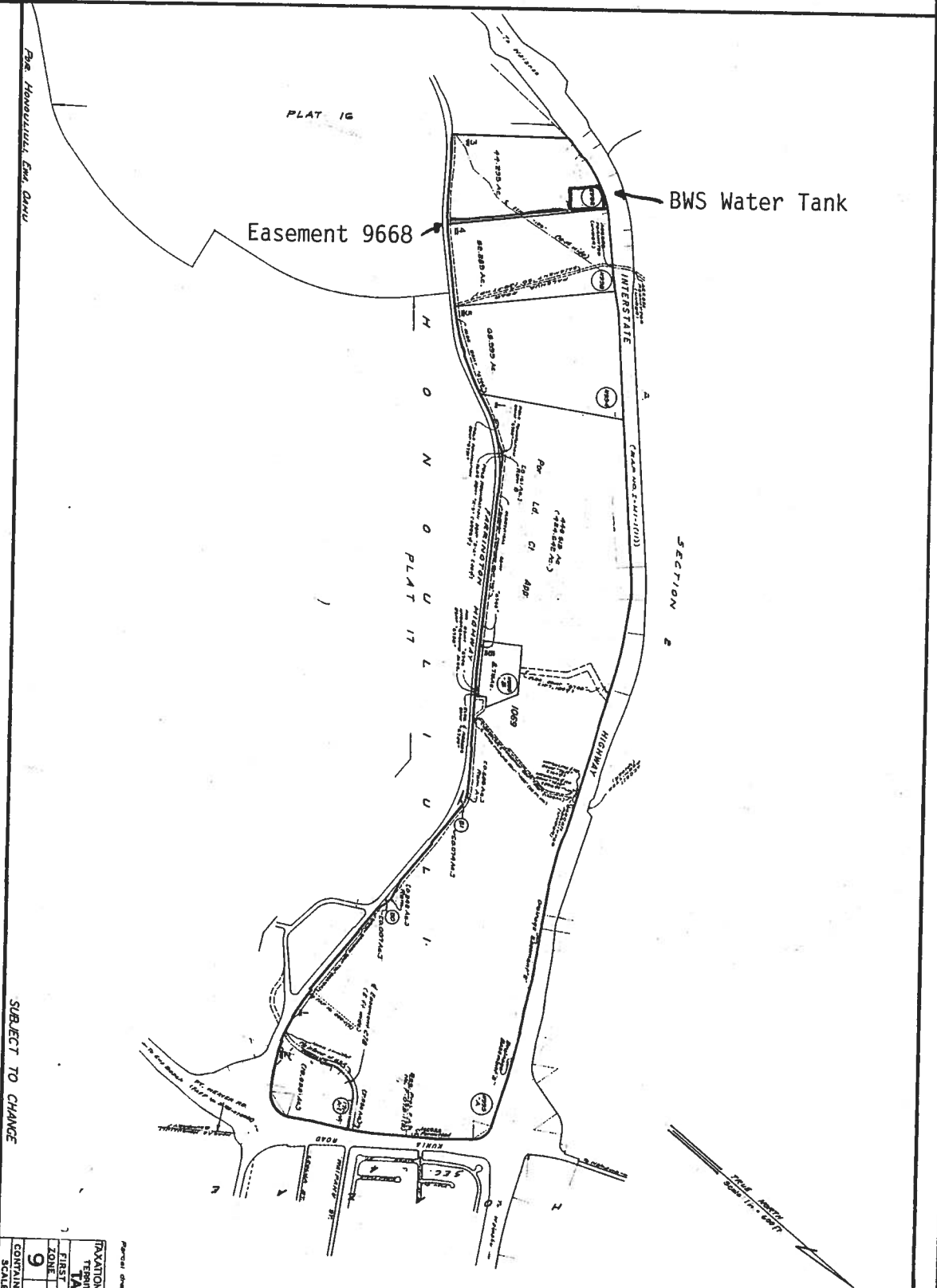


Gary Martin  
Land Agent

APPROVED FOR SUBMITTAL:



Laura H. Thielen, Chairperson

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**SUBJECT TO CHANGE**

TAXATION MAPS BUREAU			
TERRITORY OF HAWAII			
TAX MAP			
FIRST DIVISION			
ZONE	SEC.	PLAT	
9	1	18	
CONTAINING PARCELS			
SCALE: 1 in = 600 FT.			